

NEVADA COUNTY ECONOMIC FORECAST

Nevada County is located on the California-Nevada state border. Many of the largest employers in the county are related to tourism and recreation, including Soda Springs Ski Area, Sugar Bowl Ski Resort, and Boreal Mountain Resort.

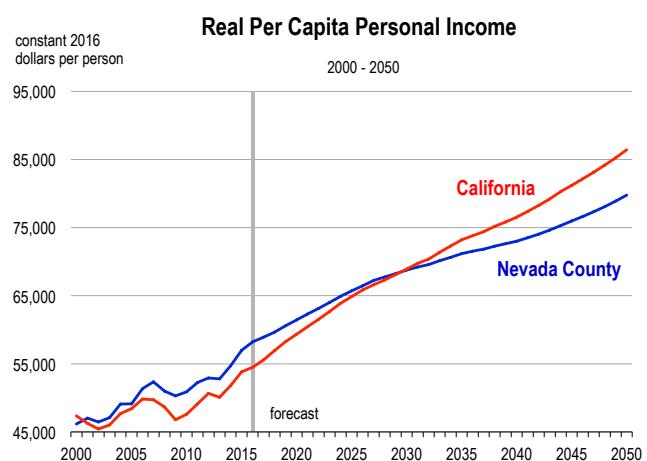
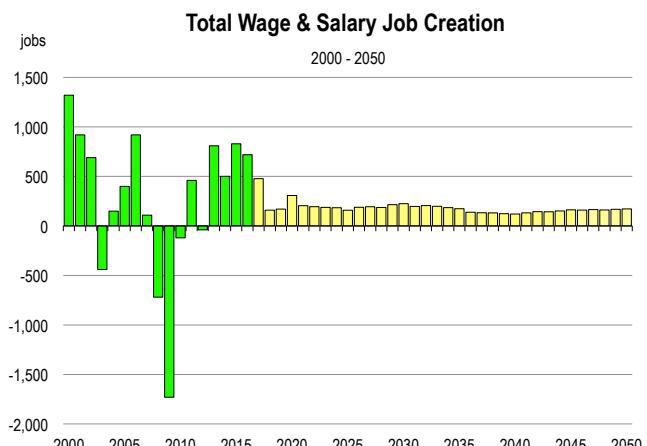
Nevada County has a population of 98,600 people and a total of 31,600 wage and salary jobs. The per capita income is \$58,218 and the average salary per worker is \$51,226.

In 2016, a total of 720 wage and salary jobs were gained in Nevada County, representing a growth rate of 2.3 percent. The unemployment rate improved during the year, falling from 5.4 percent in 2015 to 4.8 percent in 2016.

During 2016, the largest employment gains were observed in construction (+130 jobs), education and healthcare (+120 jobs), leisure and hospitality (+110 jobs), and wholesale and retail trade (+110 jobs). The largest losses were in government (-30 jobs).

The population of Nevada County increased slightly over the 2011-2016 period, rising by approximately 30 people per year. The county gained an average of 210 people each year through net migration, but lost 190 residents per year through the natural decrease (deaths outnumbering births).

Nevada County is aging rapidly, and the retirement cohort (people over age 65) will soon account for a third of the total population. Because of this, the county will continue to experience a natural decrease through the year 2050. However, because of substantial in-migration, overall population growth is expected to be positive over the next two decades. If net in-migration does not materialize as expected, Nevada County could be at risk for serious economic stagnation.



FORECAST HIGHLIGHTS

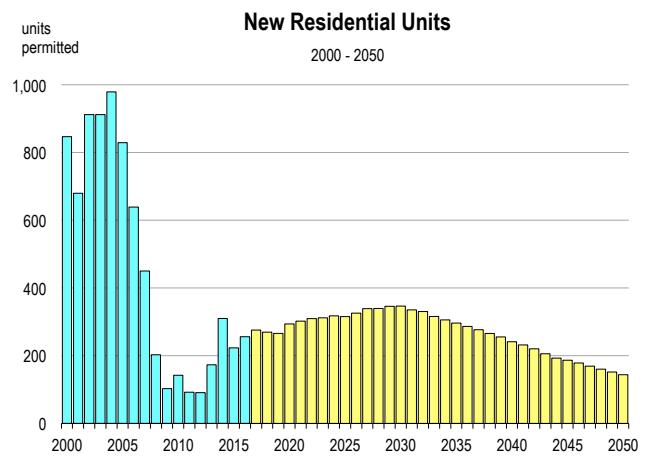
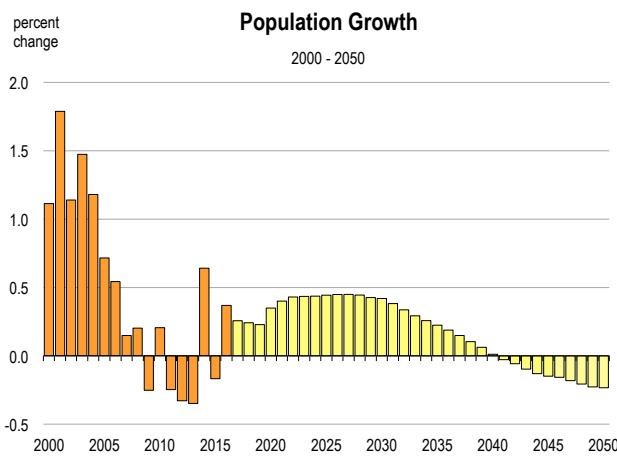
- Total wage and salary employment is expected to increase by 1.5 percent in 2017. From 2017 to 2022, growth will average 0.6 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Nevada County, inflation-adjusted salaries are expected to rise by an average of 1.6 percent per year during the 2017-2022 period.
- Between 2017 and 2022, the momentum for employment growth will be in wholesale and retail trade, leisure and hospitality, education and healthcare, and professional services. Together, these sectors will account for 88 percent of net job creation in the county.

- Population growth in the 2017-2022 period is expected to average 0.3 percent per year. All of this growth will be the result of net migration, as the county will continue to experience a natural decrease.
- Net migration will be positive throughout the forecast period. Between 2017 and 2022, approximately 500 net migrants will enter the county each year.
- Real per capita income is expected to rise by 1.2 percent in 2017. From 2017-2022, real per capita income is expected to increase by an average of 1.4 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.3 percent per year between 2017 and 2022.
- Industrial production will increase by 4.4 percent in 2017. From 2017 to 2022, the growth rate of industrial production will average 1.8 percent per year.

Nevada County Economic Forecast

2010-2016 History, 2017-2050 Forecast

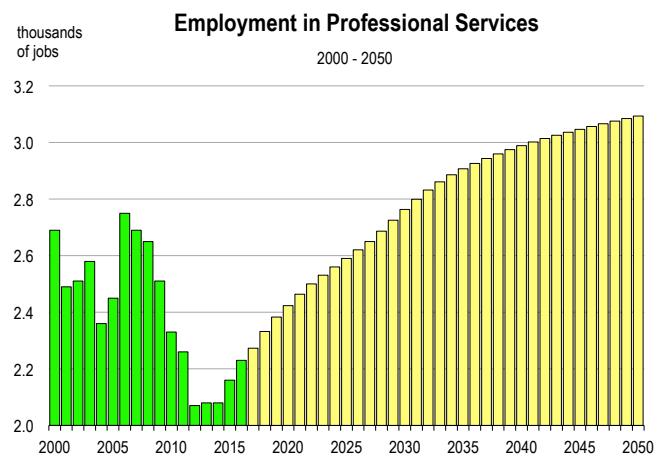
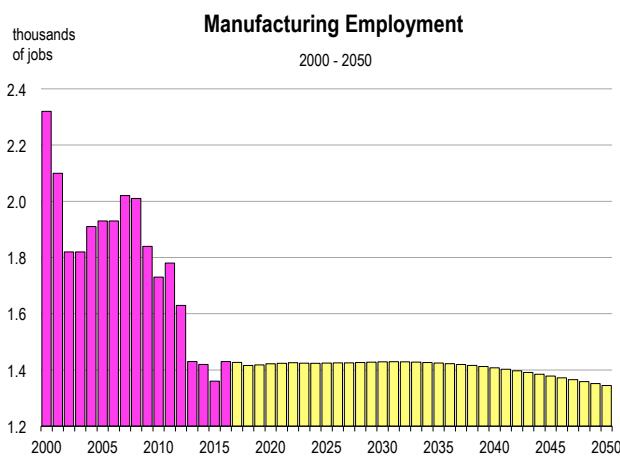
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	98,635	284	128.4	41.5	142	\$1.01	\$4.46	\$50,906	1.3	10.6	476.2	11.7
2011	98,392	-61	126.6	41.5	92	\$1.07	\$4.69	\$52,260	2.7	16.3	452.0	11.1
2012	98,068	-132	124.1	41.0	91	\$1.11	\$4.84	\$52,936	2.7	15.2	447.9	9.7
2013	97,727	-127	126.8	40.3	173	\$1.16	\$4.88	\$52,805	2.3	19.3	415.6	8.1
2014	98,354	791	128.1	40.2	310	\$1.22	\$5.18	\$54,672	2.8	22.2	424.1	6.6
2015	98,190	-3	130.4	40.2	223	\$1.29	\$5.47	\$56,990	2.6	20.1	416.4	5.4
2016	98,552	538	133.5	40.2	256	\$1.34	\$5.74	\$58,218	3.0	20.7	436.3	4.8
2017	98,805	407	136.2	40.4	276	\$1.40	\$6.00	\$58,928	3.1	21.1	455.6	4.4
2018	99,044	400	138.4	40.6	270	\$1.46	\$6.25	\$59,660	3.0	21.4	462.3	4.2
2019	99,270	392	140.1	40.8	266	\$1.53	\$6.54	\$60,569	2.6	21.7	468.6	4.1
2020	99,617	519	141.7	41.0	294	\$1.59	\$6.85	\$61,449	3.1	22.0	479.2	4.2
2021	100,016	574	143.0	41.3	302	\$1.65	\$7.17	\$62,322	3.0	22.3	486.8	4.3
2022	100,447	612	144.2	41.5	310	\$1.71	\$7.49	\$63,157	3.0	22.5	497.1	4.4
2023	100,883	626	145.2	41.8	312	\$1.78	\$7.83	\$64,024	3.0	22.8	508.3	4.6
2024	101,324	639	146.2	42.0	318	\$1.86	\$8.17	\$64,930	2.9	23.0	518.8	4.7
2025	101,773	658	147.0	42.3	316	\$1.94	\$8.50	\$65,710	2.9	23.3	529.1	4.8
2026	102,230	674	147.7	42.5	326	\$2.02	\$8.84	\$66,462	2.8	23.5	538.9	4.8
2027	102,689	688	148.5	42.8	339	\$2.09	\$9.18	\$67,257	2.9	23.7	550.1	4.8
2028	103,145	697	149.2	43.1	340	\$2.16	\$9.52	\$67,759	2.7	24.0	563.2	4.8
2029	103,585	694	149.8	43.3	346	\$2.25	\$9.85	\$68,264	2.5	24.2	577.2	4.8
2030	104,019	702	150.5	43.6	347	\$2.35	\$10.19	\$68,774	2.4	24.4	591.4	4.8
2031	104,417	678	151.2	43.9	335	\$2.45	\$10.51	\$69,218	2.3	24.7	605.7	4.7
2032	104,768	645	151.9	44.2	331	\$2.56	\$10.84	\$69,585	2.5	24.9	620.1	4.7
2033	105,075	613	152.5	44.4	316	\$2.66	\$11.17	\$70,138	2.1	25.1	634.6	4.7
2034	105,346	592	153.1	44.7	306	\$2.76	\$11.52	\$70,662	2.3	25.4	649.3	4.6
2035	105,582	574	153.7	44.9	296	\$2.85	\$11.88	\$71,177	2.4	25.6	664.1	4.6
2036	105,780	554	154.3	45.2	287	\$2.95	\$12.28	\$71,531	2.8	25.8	679.2	4.6
2037	105,938	534	154.8	45.4	277	\$3.06	\$12.69	\$71,860	2.9	26.0	694.4	4.5
2038	106,048	512	155.3	45.6	266	\$3.15	\$13.09	\$72,269	2.7	26.3	709.6	4.5
2039	106,114	491	155.8	45.9	256	\$3.25	\$13.52	\$72,632	2.9	26.5	725.0	4.4
2040	106,126	459	156.3	46.1	241	\$3.36	\$13.95	\$73,025	2.8	26.7	740.4	4.4
2041	106,097	441	156.7	46.3	232	\$3.46	\$14.37	\$73,502	2.6	27.0	755.9	4.3
2042	106,035	416	157.1	46.4	220	\$3.57	\$14.80	\$74,037	2.5	27.2	771.6	4.3
2043	105,932	384	157.6	46.6	206	\$3.68	\$15.23	\$74,628	2.4	27.4	787.4	4.2
2044	105,794	356	158.0	46.8	193	\$3.77	\$15.66	\$75,316	2.2	27.7	803.2	4.2
2045	105,637	346	158.5	46.9	187	\$3.88	\$16.12	\$75,966	2.4	27.9	819.4	4.1
2046	105,471	330	159.0	47.1	179	\$3.99	\$16.58	\$76,638	2.3	28.1	836.0	4.1
2047	105,280	311	159.4	47.2	169	\$4.10	\$17.05	\$77,339	2.3	28.4	852.8	4.0
2048	105,063	293	159.9	47.4	160	\$4.21	\$17.54	\$78,083	2.3	28.6	869.8	4.0
2049	104,824	277	160.4	47.5	152	\$4.33	\$18.05	\$78,908	2.3	28.8	887.0	3.9
2050	104,579	261	160.9	47.6	144	\$4.45	\$18.59	\$79,770	2.3	29.1	904.7	3.9

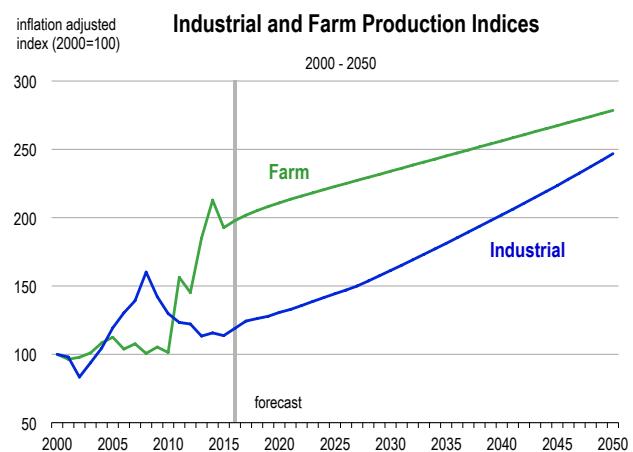
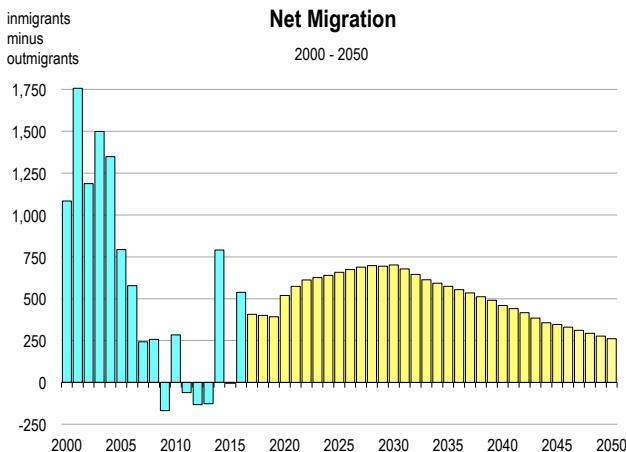
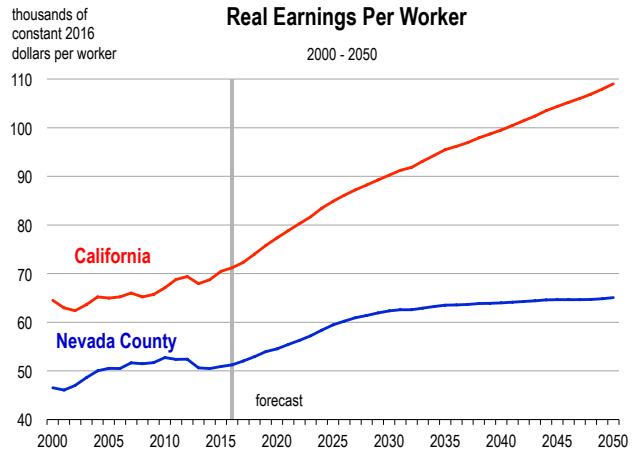
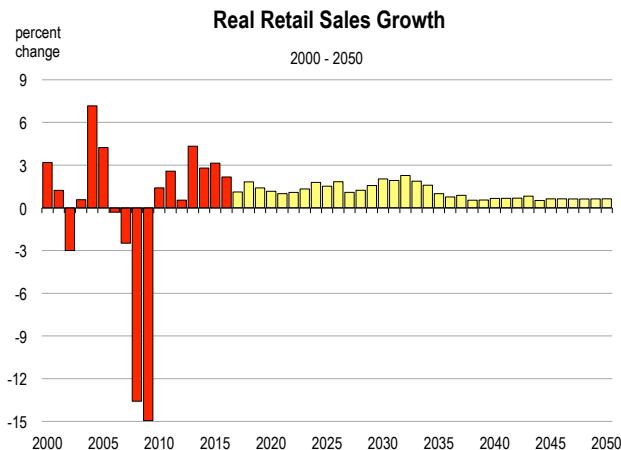


Nevada County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	28.27	0.08	2.08	1.73	0.44	4.04	1.36	2.33	0.33	4.29	4.38	6.16
2011	28.73	0.09	2.20	1.78	0.45	4.09	1.35	2.26	0.30	4.50	4.48	6.13
2012	28.69	0.09	2.34	1.63	0.48	4.13	1.42	2.07	0.30	4.67	4.36	5.95
2013	29.50	0.07	2.49	1.43	0.49	4.18	1.48	2.08	0.30	4.99	4.56	5.97
2014	30.00	0.07	2.70	1.42	0.48	4.20	1.34	2.08	0.30	5.03	4.62	6.09
2015	30.83	0.07	2.73	1.36	0.47	4.33	1.29	2.16	0.29	5.32	4.50	6.52
2016	31.55	0.07	2.86	1.43	0.48	4.44	1.32	2.23	0.29	5.44	4.61	6.49
2017	32.03	0.07	2.89	1.43	0.49	4.48	1.31	2.27	0.29	5.55	4.74	6.60
2018	32.19	0.07	2.89	1.42	0.49	4.51	1.30	2.33	0.29	5.60	4.79	6.57
2019	32.36	0.07	2.89	1.42	0.50	4.54	1.30	2.38	0.29	5.65	4.84	6.55
2020	32.66	0.07	2.94	1.42	0.50	4.56	1.29	2.42	0.29	5.72	4.90	6.60
2021	32.87	0.07	2.96	1.42	0.50	4.58	1.28	2.46	0.29	5.78	4.96	6.59
2022	33.06	0.07	2.98	1.43	0.50	4.60	1.28	2.50	0.28	5.84	5.02	6.58
2023	33.25	0.07	2.98	1.42	0.50	4.62	1.28	2.53	0.28	5.89	5.08	6.57
2024	33.44	0.07	3.00	1.42	0.50	4.64	1.27	2.56	0.28	5.95	5.12	6.57
2025	33.59	0.07	2.99	1.42	0.50	4.67	1.27	2.59	0.28	6.00	5.15	6.59
2026	33.78	0.07	3.02	1.43	0.50	4.70	1.27	2.62	0.28	6.05	5.17	6.61
2027	33.98	0.07	3.04	1.43	0.50	4.72	1.27	2.65	0.28	6.10	5.19	6.64
2028	34.16	0.07	3.04	1.43	0.50	4.74	1.26	2.69	0.28	6.17	5.21	6.65
2029	34.38	0.07	3.06	1.43	0.50	4.76	1.26	2.73	0.28	6.23	5.23	6.67
2030	34.60	0.07	3.06	1.43	0.50	4.79	1.26	2.76	0.28	6.30	5.25	6.70
2031	34.80	0.07	3.04	1.43	0.50	4.82	1.26	2.80	0.28	6.37	5.28	6.72
2032	35.01	0.07	3.04	1.43	0.50	4.86	1.25	2.83	0.28	6.44	5.31	6.74
2033	35.20	0.07	3.01	1.43	0.50	4.89	1.25	2.86	0.28	6.50	5.33	6.78
2034	35.39	0.07	3.00	1.43	0.50	4.91	1.24	2.89	0.28	6.57	5.36	6.81
2035	35.56	0.07	2.98	1.42	0.50	4.93	1.24	2.91	0.28	6.64	5.39	6.83
2036	35.70	0.07	2.97	1.42	0.50	4.95	1.23	2.93	0.28	6.71	5.41	6.84
2037	35.83	0.07	2.95	1.42	0.50	4.96	1.23	2.94	0.28	6.77	5.44	6.84
2038	35.97	0.07	2.93	1.42	0.49	4.97	1.22	2.96	0.28	6.84	5.46	6.85
2039	36.09	0.07	2.91	1.41	0.49	4.98	1.22	2.97	0.28	6.91	5.48	6.86
2040	36.21	0.07	2.89	1.41	0.49	4.99	1.21	2.99	0.28	6.99	5.50	6.86
2041	36.34	0.07	2.87	1.40	0.49	5.01	1.20	3.00	0.27	7.06	5.52	6.88
2042	36.49	0.07	2.85	1.40	0.49	5.02	1.20	3.01	0.27	7.13	5.54	6.90
2043	36.63	0.07	2.83	1.39	0.49	5.03	1.19	3.03	0.27	7.21	5.56	6.92
2044	36.78	0.07	2.80	1.38	0.49	5.04	1.18	3.04	0.27	7.29	5.58	6.96
2045	36.94	0.07	2.79	1.38	0.49	5.05	1.17	3.05	0.27	7.37	5.61	6.98
2046	37.10	0.07	2.78	1.37	0.48	5.06	1.16	3.06	0.27	7.45	5.63	7.01
2047	37.27	0.07	2.76	1.37	0.48	5.07	1.16	3.07	0.27	7.54	5.66	7.04
2048	37.43	0.07	2.75	1.36	0.48	5.08	1.15	3.08	0.27	7.62	5.68	7.07
2049	37.60	0.07	2.73	1.35	0.48	5.10	1.14	3.08	0.27	7.71	5.71	7.09
2050	37.77	0.07	2.72	1.34	0.48	5.11	1.13	3.09	0.26	7.80	5.73	7.12





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	6.7%
Expected job growth:	3.2%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	9.0%

Expected population growth:	1.7%
Net migration to account for:	100%
Expected growth in number of vehicles:	5.9%

Demographic (2017)

Unemployment rate (April 2017):	4.0%
County rank* in California (58 counties):	15th
Working age (16-64) population:	60.3%

Population with B.A. or higher:	33.8%
Median home selling price (2016):	\$380,000
Median household income:	\$61,945

Quality of Life

Violent crime rate (2015):	283 per 100,000 persons
County rank* in California (58 counties):	16th
Average commute time to work (2017):	26 minutes

High School drop out rate (2016):	N/A**
Households at/below poverty line (2017):	8.7%

* The county ranked 1st corresponds to the lowest rate in California

** Reliable data not available for Nevada County